

JUSTIFICATION OF PROGRAM AND PERFORMANCE

Activity: Recreation Fee Permanent Appropriations

Program Components	1999 Estimate	Uncontr/ Related Changes	Program Changes (+/-)	2000 Budget Request	Change From 1999 (+/-)
A.1. Recreational Fee Demonstration Program	[135,053]	[0]	[2,270]	[137,323]	[2,270]
A.2. Deed-Restricted Parks Fee Program	[1,440]	[0]	[125]	[1,565]	[125]
A. Subtotal	136,493	0	+2,395	138,888	+2,395
B. Fee Collection Support	1,152	0	0	1,152	0
C. National Park Passport Program	6,000	0	+8,000	14,000	+8,000
D. Transportation Systems Fund	0	0	+1,000	1,000	+1,000
E.1. Educational Expenses, Children of Employees, Yellowstone National Park	[850]	[0]	[0]	[850]	[0]
E.2. Payment for Tax Losses on Land Acquired for Grand Teton National Park	[23]	[0]	[-1]	[22]	[-1]
E. Subtotal	873	0	-1	872	-1
Total Requirements \$(000)	144,518	0	+11,394	155,912	+11,394

AUTHORIZATION

Recreational Fee Demonstration Program. Public Law 104-134, section 315 of section 101(c) (110 Stat. 1321-200) as amended or supplemented by: Public Law 104-208, section 319 of section 101(d) (110 Stat. 3009-223); Public Law 105-18, section 5001 of title II (111 Stat. 181); Public Law 105-83, sections 107, 320 and 321 (111 Stat. 1561, 1596); and Public Law 105-277, section 327 of Section 101(e).

Deed-Restricted Parks Fee Program. Public Law 105-327.

Fee Collection Support. Public Law 103-66, section 10002(b) (107 Stat. 403) as amended or supplemented by: Public Law 104-134, section 315 of section 101(c); Public Law 104-208, section 319 of section 101(d); and Public Law 105-83, section 107. (16 U.S.C. 4601-6a(i)(1)(B).)

National Park Passport Program. Public Law 105-391, title VI.

Transportation Systems Fund. Public Law 105-391, section 501.

Educational Expenses, Children of Employees, Yellowstone National Park. 16 U.S.C. 40a-40c.

Payment for Tax Losses on Land Acquired for Grand Teton National Park. 16 U.S.C. 406 d-3.

OVERVIEW

This activity includes the several permanent appropriations that are derived from recreation entrance and use fees paid by visitors. Recreation fees collected by the NPS that are not made available through these permanent appropriations go into a special account authorized by section 5201 of Public Law 100-203 and are available for appropriation in the subsequent fiscal year to help fund the Operation of the National Park System appropriation account.

The Deed-Restricted Parks Fee Program is combined as a sub-account with the Recreational Fee Demonstration Program for accounting and presentation purposes, and the Payment for Tax Losses on Land Acquired for Grand Teton

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National Park account is combined with the Educational Expenses, Children of Employees, Yellowstone National Park account for presentation purposes, in accordance with Administration policy. Separate accounts or sub-accounts are maintained for accounting purposes for all items in this section.

APPLICABLE NATIONAL PARK SERVICE MISSION GOALS

- Ia Natural and cultural resources and associated values are protected, restored and maintained in good condition and managed within their broader ecosystem and cultural context.
 - Ib The National Park Service contributes to knowledge about natural and cultural resources and associated values; management decisions about resources and visitors are based on adequate scholarly and scientific information.
 - IIa Visitors safely enjoy and are satisfied with the availability, accessibility, diversity, and quality of park facilities, services, and appropriate recreational opportunities.
 - IIb Park visitors and the general public understand and appreciate the preservation of parks and their resources for this and future generations.
 - IIIa Natural and cultural resources are conserved through formal partnership programs.
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A.1. Recreational Fee Demonstration Program Estimated Program and Anticipated Accomplishments

FY 1999 Estimated Amount: \$135,053,000

The Recreational Fee Demonstration Program, as authorized and amended in the FY 1996, FY 1997, FY 1998, FY 1999 and the FY 1997 Emergency Supplemental Appropriations Acts providing funds to the Department of the Interior, gave the National Park Service and other agencies authority to establish demonstration fee programs at up to 100 projects. In this program, the NPS and other agencies are to test the feasibility of user-generated cost recovery for operation and maintenance at recreation sites and habitat enhancement projects on Federal lands. As originally enacted, the legislation provided that all recreation fee revenue collected at a demonstration site above a specific target for each demonstration site would be automatically available to the NPS. The FY 1998 Interior Appropriations Act included an amendment to the Recreational Fee Demonstration Program that allows agencies to retain all recreation fee revenue generated at the demonstration sites. The FY 1998 act amendments also directed that the cost of fee collection for demonstration parks would thereafter be covered from the funds each demonstration park received from the Recreational Fee Demonstration Program account. The program is now authorized through FY 2001, with the revenue remaining available to the NPS through FY 2004.

The National Parks Omnibus Management Act of 1998 provided for a National Park Passport. The establishment of this passport will slightly impact sales of Golden Eagle Passports, as well as Park Annual Passes, resulting in a minor reduction in the estimated receipts in FY 1999 for the Recreational Fee Demonstration Program.

The fee authority specifies that the NPS can retain 80 percent of the amount available for use at the collecting park, and that the remaining 20 percent is available to be allocated at the discretion of NPS management. By law, the funds retained by the NPS may be used for backlogged repair and maintenance projects (including projects relating to health and safety) and for interpretation, signage, fee collection, and habitat, facility enhancement or resource preservation projects. As policy, the Park Service has determined that the new revenue from the Recreational Fee Demonstration Program will be dedicated primarily to identified, backlogged maintenance, rehabilitation and resource management projects.

FY 1997 marked the inaugural year for the Recreational Fee Demonstration Program as authorized under section 315 of Public Law 104-134, as amended. Several parks began collections in December 1996, with the majority of the recreational fee demonstration projects fully online by the prime visitation period beginning with the 1997 Memorial

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Day weekend. At the end of FY 1997, a total of ninety-seven recreational fee demonstration projects (encompassing 118 park units) out of a possible 100 projects had been approved by the NPS, including the Golden Eagle Pass. These projects ranged from raising existing admission fees at parks such as Yosemite, Yellowstone, Grand Teton and Grand Canyon National Parks to \$20 per vehicle and \$10 per person, to charging a \$20 per person interpretive fee for guided kayak tours at Redwood National Park. The price of a Golden Eagle Passport was raised to \$50. Automated fee collection machines, boating fees, multi-agency fees, contract fee collection, backcountry use and interpretive fees and high season fee rates were among the new fee collection strategies that were implemented under the new fee demonstration authority. A total of twenty park units initiated entrance fees for the first time.

Public reaction to the Recreational Fee Demonstration Program has been favorable. A contracted recreation fee monitoring study was conducted at eleven units participating in the Fee Demonstration Program in the summer of 1997. The study showed that 80 percent of the visitors to these units felt that the new fees were either "about right" or "too low." The vast majority of respondents said they supported the higher fee rates only if the money collected stayed in the park as a supplement and if the park budget was not offset by the fee revenue. Similar follow-up studies are being conducted in FY 1999.

Demonstration projects to be accomplished with the monies retained by the NPS include improved public restroom facilities at Saguaro National Park, trail maintenance at Cuyahoga Valley National Recreation Area, Servicewide upgrading of audio-visual equipment at a number of national parks, and the repair of entrance walks at Fort McHenry National Monument and Historic Shrine. As part of the effort to encourage partnerships, up to 15 percent of the Servicewide portion of the fee revenue retained will be used as an incentive to leverage non-Federal resources for park facility maintenance or restoration projects. For FY 1999 receipts are estimated to be \$135,053,000, a slight decrease from FY 1998.

The year 2000 will mark the bicentennial of the establishment of Washington, D.C., as our Nation's Capital. Funds earmarked from the Servicewide discretionary (20%) of fee receipts will support improvements in the preservation and maintenance of historic, cultural and natural resource and visitor facilities on National Park Service lands in Washington, D.C. The National Park Service will work jointly with the District of Columbia Government, the National Capital Planning Commission, Historic Preservation Office, Fine Arts Commission, and others in an effort, as in the words of President Clinton to, "make our Capital City a great place to work and live and once again the proud face America shows the world."

For FY 2000, receipts are estimated to be \$137,323,000, a slight increase from FY 1999. While increased visitation will likely result in additional revenue being collected, this increase will be largely offset by the anticipated full-year sales of the National Park Passport. Through FY 2000, it is estimated that approximately \$450 million will have been retained by the NPS under this authority to accomplish needed project requirements.

A.2. Deed-Restricted Parks Fee Program Estimated Program and Anticipated Accomplishments

FY 1999 Estimated Amount: \$1,440,000

Beginning in FY 1999, any recreation fees collected by park units at which entrance fees cannot be collected by reason of deed restrictions are retained and used by those respective park units for the purposes of enhancing the quality of the visitor experience, protection of resources, repair and maintenance, interpretation, signage, habitat or facility enhancement, resource preservation, annual operation (including fee collection), maintenance, and law enforcement. The authorizing law applies to Great Smoky Mountains National Park, Lincoln Home National Historic Site and Abraham Lincoln Birthplace National Historic Site. For FY 1999, the first year of this program, receipts are estimated to be \$1,440,000, entirely at Great Smoky Mountains National Park.

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For FY 2000, receipts are estimated to be \$1,565,000, a slight increase from FY 1999. A new fee will be established at Lincoln Home National Historic Site resulting in increased total revenue under this authority.

B. Fee Collection Support

Estimated Program and Anticipated Accomplishments

FY 1999 Estimated Amount: \$1,152,000

This permanent appropriation is used to cover the cost necessary to collect the fee revenue in a given year at fee collecting parks not included in the Recreational Fee Demonstration Program. By law, the NPS may retain up to 15 percent of the fee revenue collected in any year by non-demonstration sites to cover the cost of fee collection for that year for these parks. Before the authorization was changed by law in FY 1998, all fee collecting parks, including those in the Fee Demonstration Program, had been eligible to receive funds from this account.

For FY 1999, receipts are estimated to be \$1,152,000, calculated as 15 percent of estimated recreation fee receipts from non-demonstration sites. The estimated amount required at non-demonstration sites for fee collection in FY 1999 is \$2.7 million. The difference will be funded through the Servicewide (20%) part of Recreational Fee Demonstration Program receipts available to the NPS. This amount is estimated at approximately \$1.6 million.

For FY 2000, receipts are estimated to be \$1,152,000, calculated as 15 percent of estimated recreation fee receipts from non-demonstration sites, and equal to the amount for FY 1999. The estimated amount required at non-demonstration sites for fee collection in FY 1999 is \$2.7 million. The difference will be funded through the Servicewide (20%) part of Recreational Fee Demonstration Program receipts available to the NPS. This amount is estimated at approximately \$1.6 million. Should the Recreational Fee Demonstration Program authority become permanent, as proposed in this budget beginning in FY 2002, this arrangement will no longer be necessary. Cost of collection for all parks would then be borne by the collecting park from receipts retained by that park.

C. National Park Passport Program

Estimated Program and Anticipated Accomplishments

FY 1999 Estimated Amount: \$6,000,000

This program, authorized in FY 1999, will be established to sell National Park Passports for \$50 each to provide admission to all units of the National Park System for a period of 12 months from the date of purchase. The passport shall include a collectible stamp with a design to be chosen annually by competition. Up to 10 percent of the revenues from sale of passports may be used to administer and promote the program. Private vendors may be allowed to collect a commission for sales of passports. Net proceeds from sale of passports shall be deposited in a special account and used for high priority visitor service or resource management projects throughout the National Park System. For FY 1999, the first fiscal year of this program, receipts are estimated to be \$6,000,000. This program is expected to start July 1999 after a stamp design competition.

For FY 2000, receipts are estimated to be \$14,000,000. The increased revenue amount reflects a full year of collections, rather than the estimated 3 months in FY 1999.

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D. Transportation Systems Fund

Estimated Program and Anticipated Accomplishments

FY 1999 Estimated Amount: \$0

This program, authorized in FY 1999, allows the National Park Service to charge a fee for public use of transportation services to all or part of any park unit and to retain and use the fees only for costs associated with the transportation systems at each unit where the fee was collected. For FY 1999, no receipts are estimated for this program. The NPS does not anticipate any parks choosing to use this authority in the first year.

For FY 2000, the first year of receipt activity for this program, receipts are estimated to be \$1,000,000. Zion National Park is expected to begin charging fees under this authority in FY 2000 for visitors entering the park on a new shuttle system.

E.1. Educational Expenses, Children of Employees, Yellowstone National Park ***Estimated Program and Anticipated Accomplishments***

FY 1999 Estimated Amount: \$850,000

A sufficient amount of fees collected from visitors at Yellowstone National Park are deposited in a special fund as authorized by law to pay the additional costs of educating children of employees stationed at Yellowstone National Park, Wyoming-Montana-Idaho. Payments are made to reimburse schools at this remote location for their costs of furnishing educational facilities, including costs to augment teachers' salaries, to buy school equipment and supplies, to offset students' transportation costs, and to maintain park school facilities. For FY 1999, receipts are estimated to be \$850,000, an increase from FY 1998 based on the best available estimate of costs.

For FY 2000, receipts are estimated to be \$850,000, equal to the amount for FY 1999.

E.2. Payment for Tax Losses on Land Acquired for Grand Teton National Park ***Estimated Program and Anticipated Accomplishments***

FY 1999 Estimated Amount: \$23,000

A sufficient amount of fees collected from visitors at Grand Teton National Park and Yellowstone National Park are used to compensate the State of Wyoming as required by law for tax revenues lost as a result of Federal acquisitions of land in expanded areas of Grand Teton National Park. Amounts may vary because of tax rate changes, withdrawal of additional lands from the State's tax rolls because of Federal acquisition, and gradual reductions by law of the amount due for each tract of land after it is acquired. For FY 1999, receipts are estimated to be \$23,000, an increase from FY 1998 because use of unobligated balances carried over to FY 1998 made less new funds necessary to make the payment due.

For FY 2000, receipts are estimated to be \$22,000, a slight reduction from FY 1999 as a result of a gradual reduction by law of the amount due.